

PAGE 1
CITY COUNCIL
MINUTES OF SPECIAL MEETING
MAY 20, 1992

- CALL TO ORDER** Mayor Feaster called the special meeting of the City Council to order at 7:30 PM
- ROLL CALL** Present: Feaster, Richardson, Wallace, Warner, Wintersteen
Absent: Dale, Vanasse
- APPROVAL/MINUTES** M/M by Warner, 2nd by Wintersteen to approve the minutes of the April 28, 1992, regular Council meeting as corrected (page 3, last paragraph, motion seconded by Wintersteen). Voice vote. Motion carried unanimously.
- APPROVAL/AGENDA** M/M by Wintersteen, 2nd by Richardson to approve the agenda as presented. Voice vote. Motion carried unanimously.
- MAYOR'S REPORT** Mayor Feaster referred Council to a letter from the Mayor of Anadyr who is requesting an exchange trip between Bethel and Anadyr sometime this summer. The delegation from Anadyr would consist of the Mayor and Deputy Mayor and people representing the media; the City Manager and other Council members who are interested in traveling to Anadyr would represent Bethel. City Manager Hohman advised Council that Alexander Lubosh had telephoned the City offices that day and informed Mr. Hohman that their delegation was scheduled to travel to Nome where they would be meeting with Leo Rasmussen on June 20, and hopefully, then continuing on to Bethel. Mr. Lubosh requested a formal written invitation from the City for Victor Orlov, Victor Khvan and himself.
- Mayor Feaster announced the week of May 18 was proclaimed as Allen Auxier Week in recognition of his services to the community over the years.
- The Mayor also encouraged all Council members as well as Committee/Commission members to make every effort to attend their scheduled meetings.
- MANAGER'S REPORT** City Manager Hohman reviewed his written Manager's Report with Council on the following items:
- Spent two weeks in Juneau working with the legislature to represent Bethel's interest.
 - His trip report summarizes the funding received: \$160,000 for road projects (requested \$473,000); \$1,390,000 for five water/sewer projects (requested approximately \$2.2 million); forgiveness of the PATC debt in the amount of \$48,500; and effected a change in a previous construction grant to allow for skirting the Teen Center as mandated by the State Fire Marshall in the amount of \$6,000. These projects must yet be maintained through the Governor's veto.
 - School of Excellence. The original funding for the plan and design of the school was for \$850,000; during the legislative process it was reduced to \$400,000; the final figure saw further reduction to \$200,000. An application packet should be ready for distribution by the fall. Discussed lobbying efforts currently being conducted by other communities. Rick Urion has indicated his willingness to lobby on Bethel's behalf at the last State Board of Education meeting scheduled for June 8, 9, and 10 in Petersburg. Decision should be made soon so that the City could be placed on the agenda.

PAGE 2
CITY COUNCIL
MINUTES OF SPECIAL MEETING
MAY 20, 1992

- Exchange of 275 hp outboard motor for lobbying efforts.
- Directed Council to the 20 page brief which resolves the Charles R. Peter vs. City of Bethel case. The complaint was dismissed.
- Legal billings from city attorney, Brooks Chandler, and from the labor legal counsel, Owens & Turner.
- Legal document relating to APEA vs. City of Bethel proceeding.

Gary Korthuis, representing the local Chamber of Commerce requested Council approval to exchange the 275 hp outboard motor designated as surplus equipment to Mr. Don Kubley for lobbying efforts relating to the site for the School of Excellence; the exchange would equal approximately \$5,000 (there is no dollar cost to the City). A brief discussion followed.

motion

M/M by Wintersteen, 2nd by Richardson that the City of Bethel donate the 275 hp outboard motor to the local Chamber of Commerce in exchange for lobbying efforts for the School of Excellence from Don Kubley equal to \$5,000. Voice vote. Motion carried unanimously.

In response to a question from Mayor Feaster regarding legal requirements for donating surplus equipment, City Manager Hohman stated that it was his understanding that once an item has been offered for public bidding and that item did not meet the minimum requirements, any bid that was received could then be accepted. Mr. Hohman also stated that he would make certain that was correct before a transfer was made.

Questions on the Manager's Report:

Councilman Warner questioned funding for City Subdivision water/sewer project as he recalled it was far down the priority list for VSW projects; if it involves extending the pipe system, \$325,000 is not enough to begin the project. He also pointed out that there appeared to be no money for seawall matching. City Manager Hohman pointed out that there was a local- sponsorship match line item in the DOT budget but only in the amount of \$2 million; the problem is that nothing has been done at the federal level to indicate a need for matching funds, therefore, there was nothing for the Alaska legislature to react to. This will defer Phase II for one construction season. In June the City should provide Senator Stevens' office with its rationale for Phase II.

In response to the question about City Subdivision funding, City Manager Hohman indicated that it was his understanding that the two City-sub projects were on the \$2.2 million requests that were made and whatever came out were due to the prioritization by VSW; the City had no input into the requests.

Councilman Warner also stated that the April 28, 1992, minutes were not clear regarding the purchase of the D-8N Caterpillar approved by Council; specifically, the cost and how it was going to be funded. Councilman Warner questioned whether Council could approve by motion this kind of expenditure without going through the public hearing and budget amendment process. Mayor Feaster indicated that leasing from NC Machinery would avoid that process. The City Clerk indicated that she would provide a transcript of the

requested a Resolution.

Mayor Feaster expressed his displeasure concerning the City Manager's length of stay in Juneau especially at the time the annual budget was due and pointed out that the budget was approximately three weeks late in getting to Council which he believed was a serious failure of duties. In response, City Manager Hohman stated that it was a judgment call on his part and realized that it did have a detrimental impact on the scheduling for delivery of the budget to the Council. That was a sacrifice that was made in order to advocate the strongest position in Juneau. Mr. Hohman also stated that he felt the \$48,500 forgiveness of the PATC debt would not have been granted had it not been for his continued presence in Juneau.

**COUNCIL MEMBER
COMMENTS**

Councilman Warner asked for an update on the Tidelands lease.

In response to Councilman Warner's question concerning completion of the Coastal Zone Management grant for the coming year, City Manager Hohman stated that it had not been completed.

Councilman Warner stated that an engineering report on the Bethel Heights water/sewer project contained a materials specification list and indicated that an Invitation for Bid should be prepared for supply of the materials either FOB Bethel or FOB Seattle (whichever is less expensive) so that the City could get a bid for the materials and move forward on that project since it looks like it will be funded. City Manager Hohman informed Council that he and Jerry Korthuis had been working on the projects and had met with Dennis Bowdin of the State Department of Labor. Councilman Warner indicated that he felt it should be a forced account project but did not know what percentage of in-house work has to be done to qualify as forced account. City Manager Hohman stated that they were trying to maximize in-house utilization of resources and go out to local contractors as required.

Councilwoman Richardson advised Council that she had received a phone call from the former City Clerk who stated that she thought she remembered that the Personnel Rules & Regulations, Ordinance 202, had been introduced prior to the work sessions; consequently, the public hearing should be held at the present meeting. Council briefly discussed and decided that any previous introduction could be dealt with by motion at the time the new Personnel Rules & Regulations were introduced.

In response to Councilwoman Richardson's question concerning the adult recreation for the softball season, City Manager Hohman stated that Administration had been investigating the best way to support the Bethel Softball League. Rollins, Burdick and Hunter have indicated that it would require a \$700 policy for partial coverage; spectators and players need to be covered. In order to minimize the impact to the City of Bethel and the softball league, the City should contract for the provision of this service with the Bethel Softball League at a nominal fee (\$1.00). This would put the field, the spectators and the players under the City's existing policy at no additional cost and would save the League the cost of insurance. The budget should include an item for field maintenance which would indicate to the insurance carriers

that the City has directed a part of its resources to the maintenance of the field.

Councilman Wintersteen thanked the City workers for promptly repairing the boardwalk located close to Kilbuck School. In addition, Councilman Wintersteen, stated that Dr. Bergen (Family Clinic) is trying to develop stronger ties with Providence Hospital in Anchorage. A delegation from the hospital will be in Bethel this weekend to learn more about Bethel and problems associated with health care.

In response to Mayor Feaster's question about selecting a coordinator for the Fourth of July celebration, City Manager Hohman stated that he would take care of the matter.

Mayor Feaster also asked if an insurance package had been prepared and sent out for bid. City Manager Hohman stated that representatives from Rollins, Burdick and Hunter, the City's insurance broker, would be in Bethel next week to work with the City on its policies, but that he was not prepared to give a report on the status of the insurance package at that time. The Mayor pointed out that the insurance renewal date was July 1 and that public notice of invitation for bid required thirty days. City Manager Hohman was directed to provide an update on the insurance bid.

REPORTS--STANDING COMMITTEES

Mayor Feaster reported that the Finance Committee was scheduled for Thursday, May 21, 7:30 PM at the City Office. He announced a vacancy on the committee and encouraged participation from the public.

Councilwoman Richardson reported that for lack of an agenda, the Public Safety Committee did not meet in May, but a meeting was scheduled for Wednesday, June 3, 1992, 7:00 PM at the Fire Station.

Councilman Wintersteen reported that the Port Commission had met Monday, May 18. He complimented the Port Director's new administrative assistant on the excellent job she did with the minutes which were ready for distribution the following day.

--Damaged floats caused by thawing are in the process of being repaired.
--45 slots had been issued for the small boat harbor to date.
--Discussed mooring fishing vessels along the seawall. Following a lengthy discussion, the Port Commission voted in favor of allowing Inlet Salmon to tie-up as in previous years and the Co-op would moor just below the public access floating dock with a log barrier installed to prevent boats from getting sucked under. Councilman Warner expressed his disappointment with the Port's recommendation because a number of years ago the City had made a commitment that the area would be open even though it's designated "general use" in the ordinances; it is a place where the public can go to be near the river without being in the middle of a fish operation. Councilman Wintersteen replied by stating that he believed in supporting the fishing industry as it is the City's biggest industry and a revenue producer.

Councilman Warner reported that the Public Works Committee had met on May 19.

--Discussed gray water discharge of residences in town. The Chairman reported that the State of Alaska through its mortgage methods through DCRA will be taking a more active stance on this issue; if it is brought to their attention that one of the buildings that they either hold a mortgage on or that they own is doing improper discharge on to the ground they will either force the owner to rectify the problem or they will do it themselves and charge the owner.

--Received a lengthy report from Jerry Korthuis on purchase of equipment (discussed earlier); the pumphouse water system; leveling of the Braund Building tank scheduled for the near future (a temporary tank will be installed to service the complex); brief discussion of new truck needs (this year need sewer truck--can hold off for another year on a water truck); all mechanics positions have been filled; mechanics have gone to split shifts.

--Discussed the cost of new lift stations with regard to the capital appropriations from the legislature; felt that \$100,000 to replace a normal lift station was excessive considering the Prematernal Home installed a lift station for under \$20,000.

--Discussed work that's being done at the City dump to alleviate a number of the problems that have been identified with blowing trash, items not being buried properly, the dumping of hazardous materials; the new landfill operator is working with the Public Works Department to try to eliminate these problems.

--Discussed lagoon expansion.

--Committee recommended by motion to acquire a list of the electric utility customers and correlate that list with the City's water and sewer list to determine how many houses do not receive water/sewer service (sewer service is the concern).

--The Committee will begin a comprehensive review of Title 13 (utility ordinance) beginning at the next scheduled meeting.

It was reported that the Planning Commission meeting scheduled for May 14 was canceled at the last minute.

PEOPLE TO BE HEARD

David Trantham thanked the Police Department as well as the involved citizens of Bethel for their recent efforts to deal with the bootlegging problem.

Mr. Trantham next expressed his concern over the procedure used to seek Council approval of Resolution #707 by City Manager Hohman and Acting City Manager Hastie. In addition, Mr. Trantham stated that council members who signed the Resolution violated the Open Meetings Act by participating in an unpublicized telephone poll vote. He stated that he believed the Resolution was "unlawful and a backdoor approach for the purchase of Bethel Utilities." Several references from the Alaska Statutes were provided.

Mr. Grant Fairbanks thanked Mr. Trantham and other citizens who take the time to research matters relevant to city government. Mr. Fairbanks also stated his displeasure with the methods used to obtain a vote on an issue that many residents have made an effort to become better informed about, so that when the time came, they would be able to make a rational and intelligent decision on the matter.

In response to Mr. Trantham's statement regarding the Open Meetings Act, Councilman Warner pointed out that the remedy in the Open Meetings Act for action that is taken improperly (not in an open meeting) is to negate any action. Therefore, in Councilman Warner's opinion, the approval of Resolution #707 was not in effect. Mayor Feaster pointed out that it had yet to be determined whether the resolution had ever been approved.

Council broke at 9:05 PM for a short recess. At 9:15 PM, Mayor Feaster called the meeting back to order.

OLD BUSINESS:
Item A: Public
Hearing--Order
of Business

PUBLIC HEARING--AMENDMENT #1 TO ORDINANCE #199,
SECTION 2.04.030--ORDER OF BUSINESS

Councilman Wintersteen reviewed the purpose for amending Ordinance #199 as presented by stating that the amendment allows for flexibility in future changes of the Order of Business if Council so desires instead of being locked in by the ordinance as it currently is written.

Mayor Feaster opened the hearing for public discussion on Amendment #1 to Ordinance #199, Section 2.040.03, Order of Business. Dave Trantham thanked Councilman Wintersteen for putting the amendment into the ordinance which, in his opinion, would be beneficial to the general public. There being no further comments from the public, Mayor Feaster closed the public hearing. A brief discussion by Council followed.

motion

M/M by Warner, 2nd by Wallace for adoption of Amendment #1 to Ordinance #199 effective May 26, 1992. Poll vote. Motion carried unanimously.

Item B: Bethel
Youth Camp

PROPOSAL FOR THE BETHEL YOUTH RESOURCE CAMP 1992

Paula Stybor, Program Coordinator for Youth Services, summarized the proposal: A fish resource camp for 16 youths with three adult supervisors for a period of one week. The participants would be fishing and buying fish to distribute to community service organizations around Bethel such as the Senior Center. It presents an opportunity for youth to participate in a project in which they are giving something back to the community. Discussion of cost, insurance and liability followed. The goal of the program is to conduct fund raising activities so that the City would not incur cost. This would be accomplished by the youth conducting fund raisers (car washes, etc.) and by seeking donations from the community. In addition, participants will be assessed a nominal fee based on the amount of funds raised and donations obtained. Insurance costs would amount to \$100 added to the City's existing policy--the coverage includes general liability on the campers; watercraft liability is separate and would be covered under the policy of the owner of the chartered boat before the City would enter into an agreement to charter the boat.

Councilman Warner indicated his reluctance for approval of the camp because of the problems incurred at the last camp. In response, Mr. Wintersteen stated that he believed the City had learned from the last experience with the camp and felt that the proposal presented addressed those issues.

motion

M/M by Warner, 2nd by Wintersteen to approve the Bethel Youth Resource Camp proposal as presented. Poll vote. Motion carried unanimously.

**Item C: YKHC/
PATC MOA**

YKHC/PATC MEMORANDUM OF AGREEMENT

City Manager Hohman directed Council's attention to the YKHC/PATC Memorandum of Agreement for FY 92 and the proposed agreement for FY 93. The only change in the proposed agreement includes the cost of the State Fire Marshall mandated skirting of the PATC facility in the amount of \$9,600. The lease agreement for FY 93 requires Council approval. In response to Council's concern regarding the \$1.00 minimal annual fee to lease the building, City Manager Hohman pointed out that the facility was built with grant monies from the State for this purpose and YKHC's program continues the intent behind the original construction grant monies.

Because of the cost of the deductible for the City to carry insurance on the building and boiler, it was decided to revise the proposed agreement by indicating that YKHC will carry the insurance on the building and the boiler.

motion

M/M by Warner, 2nd by Richardson to remand the YKHC/PATC Memorandum of Agreement back to Administration for further negotiation on the matter of insurance and defer any action until next meeting. Voice vote. Motion carried. 4-yes; 1-abstention (Richardson) due to conflict of interest.

**Item D: Prop.
Res. #705**

**PROPOSED RESOLUTION #705--SUPPORT OF BIA SITE
TRANSFER TO YKHC**

City Manager Hohman explained that Gene Peltola, CEO of YKHC, requested that the City support its attempt to gain control of the old BIA site. The renovation of that building into a useful facility for the purpose of YKHC or other possible community uses would cost about \$3.5 million as opposed to \$10 million if the building were to be torn down and rebuilt. YKHC is seeking federal funding for the renovation; the Resolution supports YKHC in its efforts to preserve the building and renovate it for community use.

motion

M/M by Warner, 2nd by Wallace to approve Resolution #705 in support of BIA site transfer to YKHC. Poll vote. Motion carried. 4-yes; 1-abstention (Richardson) due to conflict of interest.

NEW BUSINESS:

**Item A: Intro.
Ordinance #202**

**INTRODUCTION OF ORDINANCE #202, CITY OF BETHEL
PERSONNEL RULES & REGULATIONS**

motion

M/M by Warner, 2nd by Richardson to rescind any previous introduction to Ordinance #202 and introduce for public hearing at the June 9, 1992, regular meeting of City Council, Ordinance #202 Personnel Rules & Regulations. Voice vote. Motion carried unanimously.

Mayor Feaster directed Administration to include notification to employees of the scheduled date of public hearing in all paychecks for pay period ending May 24, 1992.

**Item B: Salary
Position Study**

CITY OF BETHEL SALARY POSITION STUDY

Mark Barker provided an explanation of the study conducted by John Hastie, Dennis O'Neill and himself. The study was conducted in an attempt to eliminate the inconsistencies and inequities of the current salary and job structure. The current salary schedule was reviewed and ranges 1-13 were preserved. Department heads were asked to provide the following information on each position: 1) position name; 2) who does the position report to; 3) who does the position supervise; 4) what are the basic qualifications required for that position; and 5) a summary of basic responsibilities. From the information submitted, five different types of positions were identified and categorized in the following groups: 1) Administrative, 2) Assistant Department Heads, 2) Front-line Supervisors, 4) Professional/Technical, and 5) positions requiring little training. The job descriptions submitted by department heads were then divided into the five groups listed above. The decision was made to place group 1 in ranges 11-13; group 2 was placed in ranges 9-10; group 3 was placed in range 8; group 4 was placed in ranges 6-7; and group 5 was placed in ranges 0-5. Those positions were then assigned to the 1-13 range. During the above process individuals were not identified with the categories nor was salary a consideration.

The current salary schedule was then reviewed by Mr. Barker and the Finance Director, and a new salary chart developed: 1) Each range was given an 8% increment from the previous range and each step across had a 5% increase (these percentages reflect as closely as possible the current schedule); 2) half-steps were removed; and 3) steps were assigned alpha designations. Next, individuals were assigned to ranges and steps looking at how long the person has been employed and whether he passed probation. Following this, dollar values were assigned. The dollar impact of the salary study to the budget is approximately \$190,000.

Discussion regarding the salary scale followed. Several council members requested the Finance Director submit additional salary schedules using different options which can be reviewed for comparison during the budget work sessions.

motion

M/M by Warner, 2nd by Richardson to continue meeting past 10:00 PM. Voice vote. Motion carried unanimously.

Council broke at 10:40 PM for a short recess. At 10:45 PM, Mayor Feaster called the meeting back to order.

**Item C: Bethel
Emergency Plan**

CITY OF BETHEL EMERGENCY OPERATIONS PLAN

Fire Chief, Mark Barker, presented the City of Bethel Emergency Operations Plan which is mandated by federal and state regulation under Chapter 2.36 of the City Ordinances. The plan has been worked on for about three years with initial drafts submitted to agencies and department heads for input. Once approved by the Council, the document will be split out and an operational document published. Discussion followed. Chief Barker indicated that Council will be advised of changes as they are received and incorporated into the

document.

motion

M/M by Warner, 2nd by Wallace that the Mayor sign the City of Bethel Emergency Operations Plan effective May 20, 1992. Voice vote. Motion carried unanimously.

Councilwoman Richardson indicated that she would encourage YKHC to submit any changes/updates to the plan involving the hospital.

**Item D: Games
of Skill & Chance**

**APPROVAL OF GAMES OF CHANCE AND SKILL PERMIT
SUBMITTED BY THE CITY OF WHITTIER**

Mayor Feaster explained that the application had been received by the City Clerk requesting approval to raffle a 1948 fire engineer through the fire station. This event is one the City of Whittier is conducting statewide and requesting support from Alaska municipalities and boroughs.

motion

M/M by Warner, 2nd by Wallace to approve the games of skill and chance permit submitted by the City of Whittier. Voice vote. Motion carried. 4-yes; 1-no (Richardson).

Mayor Feaster directed the City Clerk to advise the City of Whittier of the 5% sales tax assessed on games of skill and chance which will be effective after July 1, 1992.

**Item E: Prop.
Res. #706**

**PROPOSED RESOLUTION #706--CITY COUNCIL ORDER OF
BUSINESS**

Councilman Wintersteen explained that the proposed resolution allows for Council to break at 8:30 PM for the "People To Be Heard" portion of the agenda so that people will know when to come to the meetings. Council business will then resume after the "People To Be Heard" segment is completed.

motion

M/M by Richardson, 2nd by Wintersteen to approve Resolution #706 as presented. Poll vote. Motion carried unanimously.

Mayor Feaster pointed out that the agendas, when posted, will reflect the changes to the order of business as established by resolution so that people receive adequate notice.

**Item F: Prop.
Res. #707**

**PROPOSED RESOLUTION #707--GRANT SUPPORT FROM THE
GOVERNOR AND STATE LEGISLATURE FOR THE PURCHASE OF
BETHEL UTILITIES**

Mayor Feaster opened by stating that the discussion would likely center around two areas: 1) the context of the resolution; and 2) the procedure and development of Resolution #707. Mayor Feaster next asked City Manager Hohman if Resolution #707 was used.

City Manager Hohman explained that he had drafted the resolution while in

Juneau at the end of the legislative session recognizing that if the City was going to seriously consider purchase of the utility some funding was needed. The resolution was drafted with the assistance of Brent Petrie, the finance officer with the Alaska Energy Authority, Sue White and other legislators' staffs. The resolution does not constitute a commitment on the City's part to purchase but gives the City alternatives should there be a support base for the actual purchase. The intent was to try to use the resolution to have \$1.5 million put aside for City use should the City be interested in the purchase by whatever expression--Council action or general vote. As it turned out, it was not successful as a line item in the budget that finally passed. The four votes expressed on the resolution indicate the support to advocate for the \$1.5 million in grant funds.

The resolution was presented to Shelby Stastny and different legislators in an attempt to mobilize a funding effort.

Mayor Feaster pointed out that Resolution #707 presented for Council consideration at the May 12, 1992, meeting had three signatures not four (document #707-A). Resolution #707 presented at the May 20, 1992, meeting had four signatures (document #707-B). At the time the request for signatures was made, Mayor Feaster asked the Acting City Manager about the legality of the process. Because he could not find any provisions for the method being employed, Mayor Feaster advised the Acting City Manager to obtain a legal opinion on the process. The Mayor also pointed out that resolutions call for a roll call vote with four votes required to pass. Mayor Feaster next referred Council to, and read an excerpt from, a publication that provides an interpretation of the Open Meetings Act.

In response to an allegation made earlier, Councilman Wintersteen stated that he had not signed any document at 12:30 in the morning. He had merely allowed the City Manager to use his name to help obtain the funds. At 4:00 PM the following day, the Acting City Manager presented him with a resolution that he had not agreed to, specifically the last paragraph of the resolution. Because the four signatures had not yet been obtained, Councilman Wintersteen agreed to sign the resolution only if the inclusion and approval of the following language was attached to the resolution: 1) The negotiated cost of the utilities; 2) A business plan such as banks require, showing all costs and projected cash flows; and 3) Citizens of Bethel vote for the project.

For future reference, Councilman Warner pointed out that the Open Meetings Act is not concerned with intentions but with procedure, specifically, secret meetings cannot be conducted nor can telephone polling take place. A telephone meeting is only legal if it is conducted on speaker phones and the public is allowed to participate. In response to Councilman Warner's question concerning conducting a vote on Resolution #707, Mayor Feaster stated that in his opinion, as stated earlier, Resolution #707 has only three signatures and was not a valid resolution for anyone to be trying to show support. Further, for the City Manager to claim support that was not obtained according to ordinance was going beyond his authority.

City Manager Hohman stated that the original intent was to present Resolution #707 to the Council for public discussion on May 12, 1992, in an

attempt to get support so that the \$1.5 million (if acquired) would have been at the City's disposal to conduct the negotiations. If obtained, the \$1.5 million would not be a commitment to the City. The City Manager further stated that he felt there was some validity to define the City's requests to the Governor to enlist his support as the Governor was very enthusiastic about the proposal and the potential for this community.

Mayor Feaster again pointed out that when it was originally listed on the agenda it wasn't clear if it was for ratification of previous action. In response, the City Manager stated that it wasn't for ratification except for the telephone poll vote; however, action was required in order to make it a truly effective instrument.

Discussion concerning providing a business plan, which the Mayor pointed out was one of the requests made at the public forum held at the College, followed. It was further pointed out that such a business plan had yet to be presented. In response, City Manager Hohman commented that that was a legitimate concern; however, the ordinance used by Nome was presented for consideration. A business plan considers the ordinance and accepts that as a guideline.

Regarding the resolution that was before Council, Councilman Warner stated that he could not support it until the conditions as specified by Councilman Wintersteen were incorporated and, most importantly, the advisory vote that is proposed in Resolution #708 takes place (assuming that Resolution #708 passes).

Councilwoman Richardson stated, for the record, that she supports the Resolution #707 as presented.

motion

M/M by Wintersteen, 2nd by Richardson to adopt Resolution #707 amended to include the following: 1) The negotiated cost of the utilities; 2) A business plan such as banks require, showing all costs and projected cash flows; and 3) Citizens of Bethel vote for the project. Poll vote. Motion failed. 3-yes; 2-no (Feaster, Warner).

Before the vote was conducted, Mayor Feaster asked Council to speak to the question and also invited people in the audience to speak to the question. Mr. Gary Korthuis and Mr. Jerry Korthuis spoke in favor of the passage of the resolution. Gary pointed out that when he and a delegation of Bethel businessmen traveled to Juneau last March, the Governor spent a half-hour with that delegation at which time he indicated his interest in the purchase by the City of Bethel Utilities.

Mr. David Trantham argued against voting for the resolution commenting that, in his opinion, a vote indicates that the first vote (the telephone poll vote) was illegal.

Mr. Grant Fairbanks, addressing both Resolution #707 and Resolution #708, directed Council to the study entitled Analysis of Proposed Bethel Utility Corporation Purchase by the City of Bethel, Alaska prepared for the Alaska

Energy Authority and pointed out that it contained pertinent data concerning electric rates, in particular the study indicates that rates will increase with the purchase of the power plant. Mr. Fairbanks stated that at the last two town meetings he recommended that the study be amended to include the proposed construction of the tank farm and a five-year business plan of the City, not the Bethel Utilities business plan.

Councilman Wintersteen stated that he intended to support Resolution #707 because it gives direction to the City to negotiate the utilities and calls for a business plan showing all costs and projected cash flows.

Councilman Warner stated that before he could support the purchase of the utility, he first wanted to see a business plan and projected cash flows.

Mayor Feaster, addressing the context of the resolution, pointed out that only 19 or 20 people attended the town meeting held in April. A business plan was not presented, purchase price was not discussed, and questions he had were not answered. At the end of the meeting people spoke to the issue--for or against; of the city employees who spoke and the present and past council members who spoke, two people were left speaking: 1-for and 1-against which was not an indication of a vote of confidence from the people to continue with the project.

**Item G: Prop.
Res. #708**

**PROPOSED RESOLUTION #708--BALLOT QUESTION ON THE
PURCHASE OF BETHEL UTILITIES**

motion

M/M by Richardson, 2nd by Warner to approve Resolution #708. Poll vote. Motion carried unanimously. 5-yes.

City Manager Hohman suggested that it might be advisable to schedule the vote prior to October 6, 1992, in the event a business plan and funding become available. In response, Mayor Feaster pointed out that a business plan was requested at the end of 1991 and felt that it would be difficult to come up with one that quick. The City Manager then indicated that he did not propose to come up with a business plan.

Grant Fairbanks, who initiated Resolution #708, stated that the purpose for placing the issue on the ballot for the general municipal election was that more people vote at that election. In addition, if a business plan was submitted it could be published in the newspaper and presented well enough in advance for people to understand it and to possibly hold another public forum.

**Item H: Solid
Waste Mgmt.
Committee**

**REQUEST FOR FORMATION OF A SOLID WASTE MANAGEMENT
COMMITTEE**

On behalf of Ray Dronenberg of the Department of Environmental Conservation, Brian Glasheen addressed the need for a solid waste management program, stating that the formation a committee is the first step toward dealing with the issue. Mayor Feaster informed Council that he had spoken with Mr. Dronenberg several times, and it was Mr. Dronenberg's advice to make an effort to get the landfill under control before the EPA steps in. His suggestion was the formation of an advisory committee that would look at

the solid waste problems (hazardous waste handling, reduction of total input into the landfill and recycling efforts) and make recommendations to the Council on possible solutions. The DEC is available to assist with the process. Councilman Wallace advised Council to accept the advice from DEC and not get the EPA involved. Councilman Warner and Brian Glasheen volunteered to serve on the committee.

**Item I: Pre-
sentation of
FY 93 Budget**

PRESENTATION OF FY 93 BUDGET

Finance Director, Larry Elam, gave a brief summary of the FY 93 preliminary budget distributed to Council. The budget document provides a comparison of the FY 93 proposed budget with FY 90 and 91 actual operations, the 92 budget, and the estimated 92 year-end which still has two months to go. The proposed budget includes requests from the departments for FY 93, and the salary study and cost projections. The budget does not incorporate the purchase of new vehicles or water and sewer trucks, but does incorporate the police and fire department radio operations. Projected revenue from Revenue Sharing and Municipal Assistance has been reduced by 8% based on the latest information from the State. In addition, it proposes a balanced budget with a \$92,000 surplus in the general fund and projected surpluses in the enterprise funds. Work sessions for Tuesday, May 26, 1992, following adjournment of the regular Council meeting and for Wednesday, May 27, 1992, were scheduled.

motion

M/M by Richardson, 2nd by Warner to go into Executive Session to conduct the six-month evaluation of the City Clerk. Voice vote. Motion carried unanimously.

motion

M/M by Warner, 2nd by Richardson to go out of Executive Session. Voice vote. Motion carried unanimously.

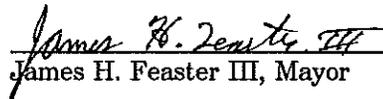
motion

M/M by Warner, 2nd by Wintersteen that the personnel records show that the City Clerk has received an outstanding six-month evaluation. Voice vote. Motion carried unanimously.

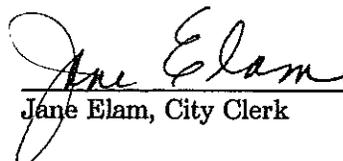
motion

M/M by Wallace, 2nd by Wintersteen, to adjourn the meeting at 12:20 PM. Voice vote. Motion carried unanimously.

PASSED AND APPROVED THIS 9th DAY OF June, 1992.


James H. Feaster III, Mayor

ATTEST:


Jane Elam, City Clerk